

## STAFF REPORT

### FOR THE PURPOSE OF THE CHIEF OPERATING OFFICER PRESENTING THE PROPOSED FY 2024-25 BUDGET AND THE BUDGET MESSAGE

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Date: March 25, 2023

Prepared by:  
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Joshua Burns, Interim Budget Coordinator

Department: Finance and Regulatory Services

Presented by:  
Marissa Madrigal, Chief Operating Officer  
Brian Kennedy, Chief Financial Officer  
Brian Evans, Metro Auditor

Meeting date: April 11, 2023

Length: 30 minutes

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#### ISSUE STATEMENT

Marissa Madrigal, Chief Operating Officer, acting as the Budget Officer, will present the FY 2024-25 Proposed Budget to the Metro Council at the April 11, 2024 Council meeting. This will be a public hearing where the Council, sitting as the Budget Committee, will receive testimony from interested members of the public and agency stakeholders. This is the first of many meetings over the next month where Council will have the opportunity for robust discussion about the proposed budget and provide feedback on the Agency's budget.

#### ACTION REQUESTED

Council to receive the proposed budget and budget message, and to provide feedback on the budget process and budget document, as the Budget Committee. Council will gavel in as the Budget Committee on April 11, 2024, and will gavel out after the vote to approve the budget on May 2, 2024.

#### IDENTIFIED POLICY OUTCOMES

To progress with a vote on May 2, 2024, for Resolution 24-5397 *approving* the FY 2024-25 budget, setting property tax levies, and transmitting the approved budget to the Multnomah County Tax Supervising and Conservation Commission, Council will discuss the proposed budget and provide feedback to departments to ensure that the approved, then adopted FY 2024-25 Metro budget aligns with Council priorities.

#### POLICY QUESTION

Does the budget, as proposed, reflect Council priorities, policies, and goals?

What information is needed to understand and communicate how departments are reflecting the strategic framework and equity outcomes throughout the budget?

#### POLICY OPTIONS FOR COUNCIL TO CONSIDER

Each of the department and venue budgets have individual items that should achieve outcomes specifically addressed by Council through the strategic framework. Council can support the budget in whole or in part and modify individual items or larger program requests.

## STAFF RECOMMENDATIONS

The Chief Operating Officer and Chief Financial Officer recommend that Council receive the budget message and proposed FY 2024-25 budget, listen to public comments, and discuss the budget, eventually leading to the vote on Resolution 24-5397, approving the FY 2024-25 budget and authorizing the Chief Operating Officer to submit the approved budget to the Multnomah County Tax Supervising and Conservation Commission.

## STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

The FY 2024-25 budget development process includes informational meetings to be held for department presentations throughout the month of April and May. One public meeting (beside this April 11<sup>th</sup> meeting) will be held where Council will receive testimony from interested members of the public and agency stakeholders. No further action or vote will be taken on the budget at any of these meetings. These meetings are setup to provide time for robust budget conversation and to give Council opportunities to guide and develop the FY 2024-25 budget where action to approve the budget will occur on May 2, 2024.

### Relationship to Metro's Strategic Plan, racial equity, and climate action goals

By approving the FY 2024-25 proposed budget, the Agency is one step closer to adopting a budget that will focus on programming related to our guiding principles of racial justice, climate justice and resiliency, and shared prosperity.

**Known Opposition:** None known.

**Legal Antecedents:** The preparation, review and adoption of Metro's annual budget is subject to the requirements of Oregon Budget Law, ORS Chapter 294. The Chief Financial Officer, acting in their capacity as the designated Budget Officer, is required to present a balanced budget to Council, acting in their capacity as Metro's Budget Committee.

## BACKGROUND

Council has instructed staff that they would like to have scheduled opportunities for public conversations, presenting more transparency to the Agency's budget and the budget process:

- **April 11, 2024:**
  - o *Public Hearing:* Chief Operating Officer, acting as the Budget Officer, delivers budget message to the Budget Committee. This staff report supports this meeting. Council gavels in as the Budget Committee
  - o Department presentations (public invited to listen)
    - Housing Department
    - Waste Prevention and Environmental Services
- **April 16, 2024:**
  - o Department presentations (public invited to listen)
    - Planning, Development and Research Department
    - Oregon Zoo
- **April 23, 2024:**
  - o Department presentations (public invited to listen)
    - Diversity, Equity and Inclusion

- Council, Chief Operating Officer, Government Affairs and Policy Development
  - Parks & Nature
- **April 25, 2024:**
  - *Public Hearing*, For the Purpose of the Budget Committee to Deliberate on the FY 2024-25 Proposed Budget
- **April 30, 2024:**
  - Department presentation (public invited to listen)
    - Portland'5
    - Expo Center
    - Oregon Convention Center
    - Central Services
- **May 2, 2024:**
  - Budget Committee considers Resolution 24-5397 for the Purpose of Approving the FY 2024-25 Budget, Setting Property Tax Levies and Transmitting the Approved Budget to the Multnomah County Tax Supervising and Conservation Commission (public invited to listen). Council gavel out of budget committee

The above meetings are the interim steps between initial proposal of the budget and approval of the budget on May 2<sup>nd</sup>, 2024. Oregon Budget Law requires that Metro approve and transmit its budget to the Multnomah County Tax Supervising and Conservation Commission (TSCC). Members of the TSCC are appointed by the Governor to supervise local government budgeting and taxing activities in Multnomah County. The TSCC will hold a public hearing on Metro's budget on Thursday, May 30, 2024, at 12:30 p.m. Following the meeting, the TSCC will provide a letter of certification for Metro's budget.

Oregon Budget Law requires the Budget Committee of each local jurisdiction to set the property tax levies for the ensuing year at the time that the budget is approved. Under budget law the Metro Council sits as the Budget Committee for this action. The tax levies must be summarized in the resolution that approves the budget and cannot be increased beyond this amount following approval. Metro's levy for general obligation debt reflects actual and estimated debt service levies for all outstanding general obligation bonds. The levy authorization for FY 2024-25 also includes the 5-year local option levy for the Parks and Nature department, as well as the levy for Metro's permanent tax rate for general operations.

The Council's adoption of the final FY 2024-25 budget is currently scheduled for voting for adoption on June 13, 2024.

## **ATTACHMENTS**

- Resolution 24-5397 (voting for approval on May 2, 2024)